



**State of Vermont  
Public Service Board**

**MEMORANDUM**

To: EEU E-mail Service List

From: Ann Bishop and Ed McNamara, Board staff

Re: Next Steps for EEU Structure Working Group

Date: December 4, 2007

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On November 29, 2007, Public Service Board ("Board") staff held the eighth meeting of the Energy Efficiency Utility ("EEU") Structure Working Group. At that meeting attendees agreed to the following next steps:

- At the November 29, 2007, workshop, participants recognized that the issues that the Working Group have discussed can be divided into two groups. One group is clearly "structural," that is, they are clearly related to the idea of changing the current contract model to some other model. A second group of issues are related to the EEU's scope of work; these issues can be (and may need to be) addressed regardless of whether the current contract model is changed. Board staff agreed to identify issues that have been discussed by the Working Group that are clearly "structural," with the intent of helping workshop participants prioritize which issues should be addressed first. This information is provided at the end of this memorandum.
- The Department of Public Service ("DPS") will contact the Secretary of Administration regarding whether he perceives any legal barriers to changing the current contract model to an appointment model.
- By **December 3, 2007**, Central Vermont Public Service Corporation ("CVPS") will circulate to the Working Group a memorandum or outline regarding whether the Board has the authority under existing statutes to make the structural changes being discussed by the Working Group or whether new legislation would be needed to implement such changes. (This has been done.)
- Interested Working Group members will collaborate to develop a revised Draft Recommendation for a Revised Energy Efficiency Utility Structure. This revised draft

will be circulated to the EEU Structure Working Group e-mail service list by **December 10, 2007**.

- Participants are encouraged to circulate any written comments they have on the revised Draft Recommendation prior to the December 13, 2007, workshop.
- From 9:30 a.m. to 12:00 p.m. on **December 13, 2007**, the EEU Structure Working Group will meet in the Board's Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, VT. At this meeting, participants will discuss the revised Draft Recommendation for a Revised Energy Efficiency Utility Structure. Participants should be prepared to comment on this revised draft and how the revised draft addresses the issues raised by the Board's July 12, 2007, memorandum; comments may be provided in writing or offered verbally.
- By **January 4, 2008**, Board staff will circulate a draft Interim Report on the EEU Structure Working Group's activities.
- From 1:30 to 4:30 p.m. on **January 7, 2008**, the EEU Structure Working Group will meet in the Board's Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, VT. Topics for discussion will be identified at the December 13 workshop.
- By **January 11, 2008**, participants will circulate any comments they have on the draft Interim Report.
- **January 18, 2008**, is Board staff's target date for finalizing the Interim Report. The report will be provided to the Board and circulated to the e-mail service list.

In general, Board staff find the draft recommendation to be a useful way of advancing the Working Group's discussions, and want to encourage Working Group participants to continue to work on this document in whatever areas you choose. From our perspective, there are certain issues that will be particularly helpful for Working Group participants to focus on in the near future.<sup>1</sup> These include:

- the Board's authority, and process to be used, to appoint, review, and terminate the appointment of an EEU;
- the term of appointment (including the concept of periodic reviews and any presumptions of rebidding, and the Board's authority to defer rebidding if justified);

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<sup>1</sup>In internal discussions after the November 29 workshop, we determined that trying to divide issues into "structural" and "scope-related" might not be the most useful to workshop participants. Rather, we decided to highlight the high-level issues that we think will be helpful for participants to address first.

- the Board's authority to use Energy Efficiency Charge funds to pay an appointed EEU;
- a summary of the roles and responsibilities of the various entities involved with the EEU, particularly with respect to changes in those roles (for example, additional responsibilities of the DPS, and who will perform the functions now assigned to the Contract Administrator, to the extent that such functions will need to be performed under an appointment model); and
- additional information about the transition period.